



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT

STATE OF CALIFORNIA • OFFICE OF GOVERNOR EDMUND G. BROWN JR.

Why California

Growing Labor Force & Employment

- In March 2012, California's unemployment rate was at 11 percent. Over the year, the rate fell 1.1 percentage points.
- There were 385,900 more participants in California's labor force in March 2012 than there were in September 2009, which was the low point associated with the recession.

By Industry sector:

- All seven industry sectors gained jobs in March, particularly in leisure and hospitality (13,800) and educational and health services (13,100). The next largest gains were in trade, transportation, and utilities (3,200) and financial activities (3,000). The largest job loss was in information (13,400) and the other losses were in other services (1,400), manufacturing (2,200), and construction (2,600).
- California has more high tech jobs than any other state with 931,000 people employed in high paying jobs. The next closest states are Texas with 492,000 and New York with 312,000.
- California's 2,323 biomedical companies employ 267,000 people. This industry accounts for \$115 billion in annual revenues – which is more than 18 state's annual Gross State Product.
- California's 3.5 million small businesses account for 99% of the state's employers and employ 52% of the workforce.

Progressive & Dynamic Economy

- California is the No. 1 state for agriculture revenues, with \$34.8 billion in revenue representing 12.3 percent of the U.S. total.
- California is one of the top 10 states in the areas of high-wage services, fastest growing companies, initial public offerings (IPO), innovation capacity and patents.
- California is home to 53 of the U.S. Fortune 500 companies.

Since 1963 (when patent records were first established), 432, 404 patents have originated in California which represents 17 percent of all the patents issued in the history of the U.S. and more than twice the number originating from the next closest state. In 2009, over 23,000 patents originated in California, far more than any other state.



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- California is one of the top 5 states in the area of science and technology- No.1 in Risk Capital and Entrepreneurial Infrastructure & No.3 in Research and Development Inputs. Industrial Research and Development (R&D) in California totaled \$50.6 billion, which represents almost 25 percent of the national total.

California offers a 15-24 percent R&D tax credit to businesses from large shares of federal funding for R&D. The UC Technology Transfer Program is first among the nations' universities in the number of patents granted and in the number of successfully commercialized inventions, creating more than 1,000 inventions a year.

Three out of the ten NASA centers are located in California – more than any other state. Including, 40 federal laboratories – more than any other state.

- California is the No.1 state for venture capital (VC) receiving four times more venture capital than the nation's average. Last year, California received 51.3 percent of all VC invested in the U.S. far more than any other state.
- California is the No. 1 state for attracting foreign direct investment. Foreign companies employ nearly 561,000 California workers and are responsible for 4.6 percent of the state's total private-industry employment in 2009.
- California is an attractive location for international employer. CA ranks #1 in the nation for the highest number of employees supported by U.S. subsidiaries with 572,500 jobs and counting.

133,700 of those jobs are manufacturing jobs that have had a “multiplier” effect on the economy, stimulating activity and jobs in other sectors with high input demands from other suppliers. Almost 9% of the manufacturing jobs in California are supported by U.S. subsidiaries.

- The Pacific Rim located in California is one of the largest trade networks in the nation, giving businesses access to the global economy. California's export shipments of merchandise in 2011 totaled \$159.4 billion, a 25% increase over 2009; returning California's export totals to pre-recession levels.



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California's largest export market was Mexico, with the state posting exports of \$26.04 billion to Mexico in 2011- 16 percent of California's total exports in 2011. Other top markets include: Canada (\$17.2 billion), China (\$14.2 billion), Japan (\$13.1 billion), and South Korea (\$13.1 billion).

The leading export category in 2011 was computers and electronic products, which alone accounted for 29 percent, or \$46 billion, of California's total merchandise exports. Other top exports were transportation equipment (\$15 billion) and machinery manufactures (\$15 billion).

- Small and medium-sized firms generated more than two-fifths (44 percent) of California's total exports of merchandise in 2007. This was the seventh highest percentage among the states, and was well above the 30 percent national export share.
- All twelve metropolitan areas in California exported over \$1 billion in merchandise exports in 2012.
 1. Los Angeles-Long Beach-Santa Ana (\$79.8 billion)
 2. San Francisco-Oakland-Fremont (\$31.8 billion)
 3. San Jose-Sunnyvale-Santa Clara (\$22.8 billion)
 4. San Diego-Carlsbad-San Marcos (\$16 billion)
 5. Riverside-San Bernardino- Ontario (\$10.9 billion)
 6. Sacramento-Arden-Arcade-Roseville (\$6 billion)
 7. Bakerfield-Delano (\$4 billion)
 8. Fresno (\$3.7 billion)
 9. Santa Barbara- Santa Maria-Goleta (\$2.5 billion)
 10. Santa Rosa-Petaluma (\$2.1 billion)
 11. Stockton (\$2 billion)
 12. Modesto (\$1.9 billion)



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